GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Infrastructure & Investment Department - Providing Government Guarantee to the Andhra Pradesh State FiberNet Limited for an amount of Rs.445.57 crores (including taxes) for obtaining loan from the Banks/Financial Institutions - Approved - Orders - Issued.

INFRASTRUCTURE AND INVESTMENT (AIRPORTS) DEPARTMENT

G.O.Ms.No.6

Dated 17.06.2023.
Read the following:-

1. MoU No.30-166-14/2016-BB-USOF/BharatNet Phase-II, dated: 13.11.2017.
2. From the MD, APSFL Lr.No.APSFL/BBNL/73/2016, Dated 22.04.2022.

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ORDER:

BharatNet project is a pivotal project of Government of India, under Digital India Initiative, which aims to digitally connect all Gram Panchayats (GP) from Mandal and provide affordable broadband connectivity to facilitate proliferation of broadband services in rural areas so as to faster socio-economic development.

2. In the reference 1st read above, the Government of AP have entered into an MOU with the Universal Service Obligation Fund (USOF)/Department of Telecommunications (DOT)/ Bharat Broadband Network Limited (BBNL) to implement BharatNet Phase - II Project in the State of Andhra Pradesh. APSFL is the 'State Implementation Agency' for Design, Implementation & Management of BharatNet Phase-II Project in the State of Andhra Pradesh. The projects comprise of two parts:

1. Deployment of aerial OFC over a length of 54,827KM to connect 11,254 GPs.
2. Deployment of electronic infrastructure at 11,254 GPs and 670 Mandal locations.

3. The Telecom Commission in its meeting held on 17.10.2018 has approved to fund for an amount of Rs.1,071.37 Crs (Rs.907.94 crs + GST) to the State of Andhra Pradesh for implementing Bharat Net Phase II Project. The details are as follows:

Particulars	Amount (Rs. Crs)	GST @ 18% (Rs. Crs)	Total (Rs. Crs)
Passive Infrastructure	772.79	139.10	911.89
Active Infrastructure	135.15	24.33	159.48
Total Sanctioned Cost	907.94	163.43	1071.37

4. Post finalization of the bidders, the total capex discovered from the tenders was Rs.1748.40 Crs for implementation (inclusive of all taxes). The details are as follows:

Particulars	Amount (Rs. Crs)	GST @ 18% (Rs. Crs)	Total (Rs. Crs)
Passive Infrastructure	859.87	154.78	1014.64
Active Infrastructure	621.83	111.93	733.76
Total	1481.70	266.71	1748.40

5. As per the clauses 2.6 of the MOU, the State has to bear the expenses of the enhanced architecture and any additional budget that may be required for successful implementation of the project. Considering this, APSFL requires additional budget for the shortfall amount of Rs.677.04 crores (including taxes). The details are as follows:

Particulars	Amount (Rs. Crs)	GST @ 18% (Rs. Crs)	Total (Rs. Crs)
Passive Infrastructure	87.08	15.67	102.75
Active Infrastructure	486.68	87.60	574.29
Total	573.76	103.28	677.04

6. In the letter 2nd read above, the Managing Director has informed that out of Rs.677.04 cores shortfall amount, Government of AP, has permitted APSFL to obtain a loan of Rs.181.47 crs vide G.O.MS.No.2, Energy (POWER-III) dept., dated: 25.01.2022. Further an additional amount of Rs.50 crores has been allotted from capital budget and also informed that the USOF (Universal Service Obligation Fund) has requested APSFL to expedite and complete the project at the earliest.

7. The MD, APSFL has requested to provide an approval for obtaining the Government guarantee for term loan of Rs.445.57 cores (including taxes) towards implementation of remaining 70% of the project, to adhere to the target fixed for project completion.

8. Government after careful examination hereby approve the proposal to provide Government Guarantee to APSFL to avail further loan of Rs.445.57 Crs (including taxes) from the Banks/Financial Institutions towards implementation of the remaining 70% of the BharatNet Phase-II project, to adhere to the target fixed for project completion.

9. The Managing Director, Andhra Pradesh State FiberNet Limited shall take necessary action accordingly.

10. This order issues with the concurrence of Finance (FMU.I&I, I&C, Energy) Department, vide their U.O.No.FIN01-64030/5/2018-FMU-ENERGY- FIN (C.No.524244), dated 03.08.2022.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R.KARIKAL VALAVEN
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Managing Director, Andhra Pradesh FiberNet Limited, Vijayawada.
The Director of Treasuries and Accounts, Ibrahimpatnam, Vijayawada.
The Accountant General, A.P., Hyderabad.
The Finance (FMU.I&I, I&C, Energy) Department.

Copy to:
The P.S to Spl.C.S to Hon'ble C.M.
The P.S to Hon'ble Minister for I&I.
The P.S to Chief Secretary to Government.
The P.S to Spl.C.S to Government, I&I Department.
The GA (Cabinet) Department.
Sc/Sfs (C.No. 17022/91/2018-Airports, Comp.No.511808)

//Forwarded :: By Order//

C. Kalyani
SECTION OFFICER